

COURSE APPROVAL APPLICATION REQUIREMENTS

1. Qualifying education courses must be at least fifteen (15) hours in duration with an exam for licensing or certification. Continuing education must be at least three (3) hours in duration.
2. All courses approved for qualifying education may also be used for continuing education.
3. The 15-hour National USPAP Course, or its equivalent, approved through the AQB Course Approval Program, cannot be through distance education.
4. The 7-hour National USPAP Update Course, or its equivalent, approved through the AQB Course Approval Program, cannot be through distance education.
5. All courses are approved for two years. See the exception noted in #6.
6. It is the responsibility of the course provider to maintain and submit approval/renewal of the course design and delivery mechanism. If an approved AQB CAP and/or IDECC course expires prior to the REA Division expiration date, the course will be removed from the Education list as of the AQB and/or IDECC date of expiration. To avoid this removal, please provide any updated AQB and/or IDECC renewal approval letters when received.
7. Course supplier must maintain a record of attendance for a minimum of five years which indicates: Name of participant, hours participant attended course/seminar and title with description of the course/seminar attended
8. These records may be inspected by the Superintendent/Division or its representative.
9. Classes may be monitored at any time by the Division Manager or the representative. No fee may be charged to anyone acting in this capacity.

ARTICLE 5. COURSE APPROVAL

R4-46-501. Course Approval Required

- A.** Under [A.R.S. §§ 32-3601\(10\)](#) and [32-3625](#), the Superintendent is required to approve a course, including a course presented by distance education, before the course is offered in Arizona. The Superintendent shall approve a course as either qualifying or continuing education.

- B.** When approving a course as either qualifying or continuing education, Department staff shall determine whether the course satisfies the criteria specified in the material incorporated by reference in [R4-46-201\(B\)](#), except:
 1. The 15-hour National USPAP Course or its AQB-approved equivalent shall not be in the form of distance education; and
 2. Only continuing education courses of at least three hours shall be approved.

- C. A course owner shall ensure that the course is not offered as either qualifying or continuing education until the course owner receives notice that the course has been approved by the Superintendent unless the course owner includes notice in the offering materials that course approval by the Superintendent is pending and no credit may be claimed for participating in the course until approval is received.
- D. Department staff shall include in the notice of course approval referenced in subsection (C):
 - 1. An index number for the approved course,
 - 2. The maximum number of hours of instruction (including examination time if applicable) that may be claimed for participating in the approved course, and
 - 3. Whether the course is approved as qualifying or continuing education.
- E. A course owner shall ensure that the course is not advertised or represented as Superintendent -approved until after receipt of the notice referenced in subsection (D). After receiving notice of course approval, the course owner may represent in any materials that the course is Superintendent-approved.

R4-46-502. Approval of Distance-education Delivery Mechanism

If a course is to be delivered by distance education, the course owner shall obtain approval of the course-delivery mechanism from one of the following sources:

- 1. An AQB-approved organization that provides approval of course design and delivery;
- 2. An accredited institution of higher education that approves the content of the course and offers and awards academic credit for the distance-education course; or
- 3. An accredited institution of higher education approves the content of the course and a distance-education approval organization approves the course design and delivery, which includes interactivity.

R4-46-503. Course Owners

- A. Superintendent approval of a course granted to the course owner extends to a secondary provider. However, for a course delivered by distance education:
 - 1. A course owner's approval of the course-delivery mechanism, as required under [R4-46-502](#), does not extend to a secondary provider; and
 - 2. Both the course owner and secondary provider shall apply for and obtain approval of the course-delivery mechanism from a source listed in [R4-46-502](#).
- B. If a course owner allows a Superintendent-approved course to be offered by a secondary provider, the course owner shall ensure that the secondary provider:
 - 1. Uses the course owner's materials, including the same textbook and examination, if any;

2. Allows only the number of hours specified by Department staff under [R4-46-501\(D\)](#);
 3. Uses an instructor who is qualified under the standards specified in [R4-46-506\(7\)](#); and
 4. Adheres to the course owner's policies regarding student attendance, course scheduling, and prerequisites, if any.
- C.** Before allowing a Superintendent-approved course to be offered by a secondary provider using distance education, the course owner shall comply with subsection (B) and:
1. Ensure that the secondary provider has obtained approval of the course-delivery mechanism from a source listed in [R4-46-502](#); and
 2. Provide to the Superintendent evidence that the secondary provider has obtained approval of the course-delivery mechanism for the Superintendent-approved course.
- D.** The Superintendent shall hold a course owner responsible if a secondary provider authorized by the course owner under subsection (B) or (C) violates any provision of this Chapter.

R4-46-504. Application for Course Approval

Only a course owner may apply for course approval. To apply for course approval, a course owner shall submit to the Department:

1. An application for course approval, which is available from the Department and on its web site;
2. Materials and other documents that demonstrate the course meets the minimum standards specified in [R4-46-506](#);
3. If the course will be offered using distance education, evidence of approval of the course-delivery mechanism from a source listed in [R4-46-502](#); and
4. The fee specified under [R4-46-106](#).

R4-46-505. Course Approval without Application

The Superintendent approves without application the following:

1. A course approved through the AQB's voluntary Course Approval Program;
2. The 15-Hour National USPAP Course or its AQB-approved equivalent if the course is taught by at least one AQB-certified USPAP instructor who is also a state certified appraiser in good standing; and
3. The 7-Hour National USPAP Update Course or its AQB-approved equivalent if the course is taught by at least one AQB-certified USPAP instructor who is also a state certified appraiser in good standing.

R4-46-506. Minimum Standards for Course Approval

The Superintendent shall approve a course only if the course owner submits the following materials and documents with the application for approval required under [R4-46-504](#) and demonstrates the course, including a course presented by distance education, meets the following minimum standards:

1. Course description. Clearly describe the subject matter content of the course.
2. Summary outline. Identify major topics and the number of classroom hours devoted to each.
3. Prerequisites. Specify necessary prerequisites for any course other than a course on:
 - a. Introductory real estate appraisal principles and practices; and
 - b. Appraisal standards and ethics.
4. Learning objectives. Specific learning objectives shall:
 - a. State clearly the specific knowledge and skills students are expected to acquire by completing the course;
 - b. Be consistent with the course description required under subsection (1);
 - c. Be consistent with the instructional materials described in subsection (5);
 - d. Be achievable in the number of hours allotted for the course;
 - e. If for qualifying education, specify the required core curriculum, module subtopic, and number of course hours; and
 - f. If for continuing education, specify the appraisal topic and number of course hours.
5. Instructional materials. Instructional materials used by students shall:
 - a. Cover the subject matter in sufficient depth to achieve the learning objectives specified in subsection (4);
 - b. Reflect current knowledge and practice in the field of appraisal;
 - c. Contain no significant errors;
 - d. Use correct grammar and spelling;
 - e. Be written in a clear, concise, and understandable manner;
 - f. Be in a format that facilitates learning; and
 - g. Be bound or packaged and produced in a quality manner.
6. Examinations for qualifying education courses. Qualifying education courses shall include a series of examinations, a comprehensive final examination, or both. A course examination shall:
 - a. Contain enough questions to assess adequately whether a student acquired knowledge of the subject matter covered by the course;
 - b. Contain questions directed towards assessing whether students achieved the learning objectives specified in subsection (4);
 - c. Be allotted sufficient time for students to complete;

- d. Contain questions on information adequately addressed in the instructional material required under subsection (5);
 - e. Contain questions that are written in a clear, accurate, and unambiguous manner;
 - f. Contain questions for which the intended answer is clearly the best answer choice;
 - g. Be proctored and close-book; and
 - h. Have a criterion for passing that is announced before the examination is given.
7. Instructor qualifications policy. The course owner has a written policy that requires use of instructors who meet at least one of the following:
- a. Has a baccalaureate degree in any field and at least three years of experience directly related to the subject matter to be taught;
 - b. Has a master's degree in any field and one year of experience directly related to the subject matter to be taught;
 - c. Has a master's or higher degree in a field directly related to the subject matter to be taught;
 - d. Has at least five years of real estate appraisal teaching experience directly related to the subject matter to be taught; or
 - e. Has at least seven years of real estate appraisal experience directly related to the subject matter to be taught.
8. Required policies. The course owner shall have the following written policies:
- a. Attendance policy that ensures student attendance is verified.
 - i. Stipulate that to receive credit, a student must be present for the entire course,
 - ii. Include the instructor's name on the attendance record, and
 - iii. Maintain attendance records for five years;
 - b. Scheduling policy.
 - i. Provide that a student may participate in a maximum of eight hours of instruction in a day, and
 - ii. Provide that appropriate breaks are included during each class session;
 - c. Completion certificate policy.
 - i. Require that a signed and dated completion certificate be issued promptly to all students who complete a course; and
 - ii. Require that a completion certificate contain all information required on the form of certification provided by the Department.

R4-46-507. Secondary Providers

The Superintendent shall hold a course owner responsible for the activities of a secondary provider who conducts the course owner's Superintendent-approved course in Arizona. To protect the integrity of the Superintendent's approval, a course owner shall have a written agreement with a secondary provider that requires the secondary provider to:

1. Use the materials required under [R4-46-506\(5\)](#) and the examination required under [R4-46-506\(6\)](#) without change;
2. Conduct the course in accordance with the policies required under R4-46-506(7) and (8);
3. Clearly state in advertising materials that the course has been lawfully acquired from the course owner and that Superintendent approval was provided to the course owner and not to the secondary provider;
4. Cease using the materials and examination when the course approval expires under R4-46-510; and
5. If the course is to be delivered by distance learning, obtain approval of the course-delivery mechanism from a source listed in [R4-46-502](#).

R4-46-508. Compliance Audit of Approved Courses

- A.** To improve the quality of education available to appraisers in this state, Department staff shall regularly audit approved courses for compliance with this Chapter.
- B.** The Superintendent shall identify approved courses for audit using the following to establish the priority of audits:
 1. Approved courses about which a complaint has been received,
 2. Approved courses of a course owner that is new to this state, and
 3. Approved courses that have not been audited in the last five years.
- C.** On request from the Superintendent, the course owner of an approved course shall provide the dates, times, and locations at which the approved course will be taught and the name of the instructor who will teach each presentation of the approved course.
- D.** The audit of an approved course shall be conducted by a volunteer auditor trained by Department staff.
- E.** The course owner of an approved course shall allow an auditor described under subsection (D) to attend the approved course at no charge.
- F.** The auditor shall be identified to the instructor before the approved course starts.
- G.** On request from the auditor, the course owner shall allow the auditor to examine records, materials, and other documents relevant to the approved course audited.
- H.** After review by the Superintendent, Department staff shall provide a copy of the audit report to the course owner. If the audit identifies ways in which the approved course fails to comply with this Chapter, Department staff shall:

1. Work with the course owner to establish a correction plan to bring the course into compliance;
 2. Establish a time within which the course owner is required to complete the correction plan and bring the course into compliance; and
 3. Inform the course owner of the manner in which to report the approved course is in compliance with this Chapter.
- I.** Failure of a course owner to comply with this Chapter may lead to revocation of course approval.

R4-46-509. Changes to an Approved Course

The Superintendent encourages revisions and updates that improve and keep an approved course current. However, if any of the information provided under [R4-46-506\(1\), \(2\), \(4\), or \(5\)](#) changes so substantially as to alter the scope of the approved course, the course owner of the approved course shall submit a new application for approval under [R4-46-504](#).

R4-46-510. Renewal of Course Approval

- A.** Course approval expires a maximum of two years after approval is granted. Approval of a distance education course expires in two years or, if applicable, when the distance education delivery-mechanism approval required under [R4-46-502](#) or approval under [R4-46-505](#) expires, whichever is less.
- B.** The Superintendent shall renew the approval of a course only:
1. Once after initial approval; and
 2. If the information provided under [R4-46-506\(1\), \(2\), \(4\), and \(5\)](#) has not changed substantially.
- C.** If an approved course meets the standard in subsection (B), the course owner may apply for renewal of course approval no later than 30 days before the course approval expires.
- D.** To apply for renewal of course approval, a course owner shall submit a renewal application, which is available from the Department and on its web site, and pay the renewal fee specified in [R4-46-106\(A\)\(10\)](#).

R4-46-511. Transfer of an Approved Course

- A.** A course owner that transfers the proprietary rights to a Superintendent-approved course shall provide written notice of the transfer to the Department. The course owner shall include in the notice the name of and contact information for the new course owner and the date of the transfer.

- B.** The new course owner to which the proprietary rights to a Superintendent-approved course are transferred shall attach to the notice required under subsection (A) a certification, using a form available from the Department and on its web site, that the new course owner:
1. Will adhere to the requirements in this Article, and
 2. Will be responsible for the actions of all secondary providers who have an agreement under R4-46-507.
- C.** If proprietary rights to a Superintendent-approved course are transferred under this Section, the expiration date of the course approval does not change.